Summary of 2020 Accomplishments

+ Operational Approach:

Year End Report
Rural LISC, as the rural component of Local Initiatives Support Corporation (LISC), is deeply rooted in rural America and is committed to providing support for diverse rural communities, making them good places to live, work, play and innovate.

Rural LISC believes that nonprofit community and economic development organizations play an essential role in catalyzing change; the team is dedicated to strengthening collaboration and building capacity within and across diverse key stakeholder groups to better address unique community-based needs. Rural LISC drives organizational change by providing need-based technical assistance, training and access to programs and capital to a network of more than 140 rural-based partners and collaborators (non-profits and small businesses) located across 2,200 counties in 47 states and Puerto Rico.
Rural LISC Historic Impact

Since 1995, Rural LISC has worked with and through partners to build more than: 38,550 affordable homes; created 7.5 million square feet of commercial space, community facilities and athletic fields; assisted more than 2,100 businesses and hundreds of non-profits, resulting in the creation and/or retention of 16,350 jobs. In total, since 1995, Rural LISC has directly invested more than $1.1 billion in grants, loans, lines of credit, repayable investments and equity into community development corporations. This funding, has in turn, been matched and leveraged to the tune of $4.4 billion in investment in rural America ($5B+ in total development costs) in the form of Low Income Housing Tax Credits, New Market Tax Credits, small business grants and loans, USDA grants and loans, HUD grants and millions in public and private philanthropic support.

Rural LISC Geography

LISC defines Rural as a community with a population size at or below 50,000 but this metric of Rural is just a guide, as it is important to note that Rural, by any strict definition, is difficult to measure given the degrees of “rurality” which remain as diverse as its population. Rural is more of a gradient as the demographic composition changes considerably based upon geography. Rural, or rurality, is more deeply defined by the region it encompasses than by any federally calibrated metric.
Rural LISC Demographic + Investments:

Though much of rural America, on average is predominantly white, Rural LISC invests in a variety of rural communities including communities that are more diverse than rural tracts as a whole. Specifically, as illustrated in the chart below, since inception in 1995, Rural LISC has invested in rural areas that are more Black, Latinx, have higher poverty rates, and are less White than the average rural American area. That is, in the rural tracts where Rural LISC invests:

- 20% of the population is Black, compared to about 8% of the population in all rural U.S. tracts.
- 14% of the population is Latinx compared to 9% of the population in all rural U.S. tracts.
- 21% of the population live in poverty, compared to 14% of people living in poverty across all rural U.S. tracts.
- 61% of the population is White, compared to 78% of the population in all rural U.S. tracts.
2020 was a record-breaking fundraising year for Rural LISC. To date, Rural LISC (with assistance from OneLISC) raised more than $38.8MM in private and public investment for rural communities in the form of grants and loans for community development programs and projects. 2020’s record-breaking fundraising year is directly attributed to Covid-19 small business disaster relief efforts through funders such as Lowe’s, Truist, Wells Fargo, Ascendium, community foundations and the generosity of many other Rural LISC supporters. Through this investment, Rural LISC deployed grants and operational assistance support to small businesses, non-profits and business development organizations (BDOs). By February 2021, Covid-19 disaster relief efforts will have supported more than 1,200 small businesses, 25 BDOs and close to two hundred non-profits. The below graphs and charts illustrate both public and private philanthropic funds raised to date in 2020.
While Rural LISC works closely with the LISC National development team to secure resources for rural communities, Rural LISC also undertakes its own internal fundraising efforts. In 2020, Rural LISC raised nearly $3.9 million in private philanthropic funds, exceeding the team’s $2.3 million goal for the year. Please see the charts below for a further breakdown:

Rural LISC Philanthropic Funds Raised
Budgeted vs. Actual 2020

Over the last five years, the amount of funding raised by Rural LISC from private philanthropy has grown exponentially from $495,000 in 2015 to nearly $3.9MM in 2020.

Rural LISC Private Philanthropy 2015-2020
Historically, public funds make up a large, but separate, contribution to Rural LISC’s annual fundraising budget. Rural LISC historically secures funding in multi-year grants from two major public funds - HUD Section 4 and USDA-RCDI. In 2019, Rural LISC also helped OneLISC secure a $6 million two-year HUD Distressed Cities Technical Assistance grants, which comprises the majority of Rural LISC investment in disaster response and resilience planning. In 2021, Rural LISC expects public sector grant funding to remain consistent with prior year levels of investment.

Public Funds combined with Private Funds Raised in 2020 exceeded $38.8MM
2020 and 2021 OneLISC Commitments

Early in 2020, the OneLISC organization launched the LISC Rural Promise, a commitment to enhance total investment in rural communities to 20% of LISC’s impact over the next few years.

More recently, LISC rolled out Project 10X - an ambitious, decade-long strategy to address racial gaps in health, wealth and opportunity that affect millions of people throughout the country, including Rural America. Project 10X is a $1 billion plan to raise and deploy capital that will help build a more broadly shared prosperity.

In 2021, Rural LISC will operationalize the LISC Rural Promise and Project 10X by providing need-driven technical assistance, training and access to programs and capital to connect with our partner organizations and rural collaborators in both Black, Indigenous and People of Color (BIPOC) and non BIPOC communities throughout rural America. Rural LISC will make these investments through five (5) core pillars to better support, strengthen and leverage investment in rural ecosystems.
The Rural LISC 5 pillars include:

- Access to Capital
- Broadband and Infrastructure
- Workforce Development
- Disaster Response and Resilience Planning
- Place Making

Buoying up all of these pillars, and serving as cross cutting strata, continues to be our ongoing work in providing technical assistance and capacity building grants to organizational partners.
Rural LISC 5 Pillars + Priority Projects for 2021

Access to Capital

Providing grants, loans and equity needed to support housing, community facilities, small businesses and community development projects, particularly those related to the core mission of investing in transformative projects in Rural America.

Program Priorities:

- Prioritize lending for housing, community development and recreation projects.
- Create project pipeline for small business lending and grants.
- Prioritize projects for needed capital/credit enhancement and/or opportunities for additional programmatic support.
- Prioritize disaster lending and create project pipeline (focusing on housing and infrastructure opportunities).
- Prioritize green/ solar lending projects and create corresponding pipeline.
- Create national leverage + pipeline creation for LISC affiliates: Immito, NEF, NMSC (NMTC), Entrepreneurs of Color Fund (National Funds), including programs serving Native American communities.
- Help to secure and grow broadband pre-development projects (utilize credit enhancement or recoverable grant dollars).
- Continue to provide technical/capacity assistance to partners, small businesses and non-profits.
### 2020 Milestones

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Total Amount of Organizational Capacity Building &amp; Small Business Grants Made – Direct Support</td>
<td>$26,267,749</td>
</tr>
<tr>
<td>Total Amount of Repayable Investments/Recoverable Grants</td>
<td>$236,760</td>
</tr>
<tr>
<td>Loans and Lines of Credits Closed</td>
<td>$9,111,200</td>
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<tr>
<td>NMTC Loans (NMSC)</td>
<td>$8,133,333</td>
</tr>
<tr>
<td>National Equity Fund (NEF) LIHTC-Multi-Family Investments</td>
<td>$95,964,404</td>
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<tr>
<td>Immito SBA/Small Business Lending (includes $1,018,100 in SBA PPP loans)</td>
<td>$6,220,100</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$145,933,546</strong></td>
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<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Total # of Small Business Grants Made to Rural Communities</td>
<td>1,200</td>
</tr>
<tr>
<td>Total # of Rural Non-Profits Supported by Grants</td>
<td>210</td>
</tr>
<tr>
<td>Total # of Repayable Investments made</td>
<td>9</td>
</tr>
<tr>
<td>Total # of Loans/Line of Credits Closed</td>
<td>8</td>
</tr>
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**NOTE:** Of the 1,200 grants made to small businesses, more than 70% of the grants went to woman-owned and/or minority owned and operated firms. The above data is based on financial information as of Dec 2020.

### Impact of All Combined Grant/Lending Activity in 2020

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total amount ($) leveraged as a result of Rural LISC investment</td>
<td>$245,857,735</td>
</tr>
<tr>
<td>Number of jobs created and/or retained from Rural LISC investments</td>
<td>2,584 jobs</td>
</tr>
<tr>
<td>Total number of homes built or under development</td>
<td>2,019 homes</td>
</tr>
<tr>
<td>Total SF of commercial, industrial and community/recreational facilities (developed and under development)</td>
<td>800,677 square feet</td>
</tr>
</tbody>
</table>
Partnership Expansion

Throughout 2020, Rural LISC worked to expand partnership and lending/grant activity to a variety of new organizations and BIPOC communities. Lending and granting activity expanded into serving tribal organizations along with new minority partners in key sectors such as agriculture (Potlikker Capital serving Black Farmers in the south) and Recreation (Camp Kupugami – the only Black owned overnight camp in the country).

New and/or expanded partnership organizations include: Hawaii Community Assets (a Native Hawaiian led CDFI), Four Directions (Native American CDFI), Homestead CBO (Native Hawaiian led CBO and CDFI), Pathstone Enterprise Center serving Puerto Rico, Native American Development Corporation (Montana) and the South Dakota Native Homeownership Coalition. Rural LISC has worked with the National Native CDFI Coalition on policy and advocacy issues and has joined the Intermediary Collaborative for furthering work on Native American Housing issues. In 2021, Rural LISC will continue to partner and expand access to capital advocacy work with organizations such as Enterprise, NeighborWorks America, Rural Community Assistance Corporation (RCAC) and the National American Indian Housing Council (NAIHC).

Of the 87+ capacity-partner CBOs in the Rural LISC network (some of which are noted above), 28 are women and BIPOC led and 24 directly serve minority populations. In 2021, Rural LISC will continue to prioritize diversity in future partnership opportunities, expanding work into tribal communities and traditionally under-served geographies such as the deep south and southwest. Additionally, Rural LISC will work to expand the partnership network with on-the-ground entities including economic development organizations and public-private partnerships. Rural LISC will continue to explore ways to invest capital in supporting a variety of key traditional and emerging economic growth sectors supporting rural communities. Additionally, in 2020, Rural LISC expanded our network of programmatic partners to include 140 organizations including community development organizations, economic development organizations, business development organizations and councils of government.
Broadband + Infrastructure

Innovating how rural communities integrate digital supports, broadband and other infrastructure needs into the community to increase equity and access.

Rural LISC expanded work in broadband throughout 2020 driven in large part by the fact that one quarter of Rural America lacks internet connectivity, and 44% of low-income households lack internet access. Rural digital disparity, amplified by Covid-19 disaster, accelerated Rural LISC’s work in forging partnerships and funding opportunities to support non-profits and key stakeholder groups with enhanced access to digital and broadband services, such as the Digital Navigator program. To better address disparity issues, Rural LISC forged unique partnerships with private funders and groups such as firefighters,
Financial Opportunity Centers (FOCs), libraries and a host of other organizations to enhance internet connectivity and access to broadband equipment and services. In 2021, Rural LISC will continue to address digital equity divides by enhancing broadband deployment in key, under-served geographies (primarily the south and southwest), while simultaneously exploring opportunities to weave broadband deployment strategies into existing workforce and housing initiatives, such as through the FOC and RuralWorks models/programs.

**Broadband + Infrastructure Program Priorities:**

- Map high-speed internet (i.e. broadband) availability, helping communities understand local connectivity challenges and opportunities
  - Assist rural communities in developing a broadband vision by prioritizing investment for pre-development efforts.

- Deploy Digital Navigators to enhance digital literacy and access to equipment
  - Prioritize hubs such as (but not limited to): community action agencies, FOCs, nonprofit workforce development intermediaries, and small business TA providers.
  - Work to identify and develop public-private partnership opportunities.
  - Strengthen access to broadband equipment/devices (including wi-fi) & broadband services.
  - Target expansion areas including the south, southwest and native communities.

- Deploy grants to help subsidize connectivity costs for a minimum of 2,500 under-served rural households
  - Work to prioritize geographies and organizations to provide broadband pre-development investment (credit enhancement or recoverable grant dollars) and technical assistance grants for community broadband planning.

- Develop a user guide to help CDFIs and real estate developers integrate affordable broadband connectivity solutions within new housing developments.

- Support other community infrastructure needs such as sewer and water initiatives and connect to potential funding opportunities.
Workforce Development

Connecting creative workforce solutions to organizations and communities that empower people to take ownership of their financial future and up-skill to secure quality jobs.

The Rural LISC Workforce Development Strategy currently includes three programs that are designed to support a community’s regional ecosystem as they build-out a stronger, more sustainable workforce:

- Rural Works
- Bridges to Career Opportunities (Bridges)
- Financial Opportunity Centers (FOC)

Though each of these programs is unique, they are designed to work either independently or jointly to better serve the existing workforce environment (and corresponding needs) of each regional, rural community. The below diagram outlines how each program operates to foster financial literacy, upskilling/certification and matriculation to career placement – all intended to better strengthen rural workforce eco-systems.
Throughout 2020, Rural LISC successfully launched FOCs in the following geographies:

• LIFE, Lufkin TX – June, 2020
• NOCAC, Defiance, OH – August, 2020
• Pathfinder Services, Huntington, IN – August, 2020
• GLCAP, Fremont, OH – August, 2020
• NOVA, Monroe, LA – August, 2020
• Highland Community Builders, Elkins, WV – October, 2020
• NeighborWorks Umpqua, Roseburg, OR – November, 2020 (public launch early 2021)
• Central MO CAC, Columbia, MO (public launch early 2021)
• Habitat for Humanity, Findlay, OH (public launch early 2021)

In addition to the above noted new FOC launches, Rural LISC also strengthened six existing FOCs. As Rural LISC moves into 2021, prioritization will continue to be placed on expanding the FOC model and integrating ongoing broadband work with the FOC/workforce models. Rural LISC will seek to prioritize new, unique partnership opportunities (both public and private) and focus on expanding into underserved geographies.

2020 FOC Highlights

• 631 rural community members have received financial and employment coaching since January 2020.
• 59% of clients have seen an increase in net income, with an average increase of $1,203.
• 63% of clients have seen an increase in their credit score, with an average increase of 61 points.
• 66% of clients have seen an increase in their net worth, with an average increase of $7,170.
• 52% of individuals looking for a job, have been placed in a job, with a starting wage of $13.79
• 175 individuals have been enrolled in new education/training programs.

2020 Rural Works 2020 Highlights

• 11 Workforce Funding Sites formed
• 997 individuals placed in Full Time Jobs
• 184 individuals placed in Part Time jobs
• 123 Apprenticeships created and filled
• 970 individuals earned Certifications
• 203 individuals earned Degrees
• 13 Post-Secondary Partners engaged
• 8 Workforce Investment Boards engaged
Workforce Development Program Priorities:

FOCs
Expand Financial Opportunity Centers and Bridges to Career Opportunities

- Target groups and geographies for expansion with a particular focus on the south, southwest and mid west.
- Explore a virtual Long-term Disaster Recovery FOC Model.
- Prioritize a LEP and Native FOC.
- Explore programmatic integration of FOCs focusing on small business supports, disaster management and relief and digital navigator hybrid models.
- Strengthen partnerships with non-traditional groups such as community colleges and private industry.

Rural Works
Expand on Rural Works with a focus on unique public-private partnerships and Diversity, Equity, Inclusion and Justice (DEIJ) integration.

- Scale post-secondary pathways with the 10 local workforce development collaboratives.
- Scale equity initiatives within rural workforce development as part of LISC 10X project.
- Fund an additional 2-3 Rural Works sites and target opportunities with tribal communities.
- Develop more pronounced P3s that nurture apprenticeships and employer-based opportunities.
- Integrate digital inclusion strategies with workforce efforts.
- Expand Opportunity Youth initiative.
- Continue to invest in AmeriCorps.
- Continue to strengthen and advocate for technical assistance and capacity supports for Rural LISC partners.
Disaster Response + Resilience Program Priorities:

In 2020, Rural LISC finalized housing renovation work associated with the destruction caused by Hurricane Maria in the greater Houston region. As we move into 2021, Rural LISC will focus on expanding disaster, resilience and relief efforts in the following areas:

Disaster recovery training and materials development; Expanding consulting and contract opportunities and; Providing technical assistance provision to key partners. Additional programmatic priorities will include:

• Disaster Resilience and Preparedness Training – curriculum and prep-manual for non-profits and public agencies.
• Technical Assistance to municipalities, small businesses and non-profits post disaster.
• Renovation of housing and TA provision to small businesses impacted by disasters.
• Small business emergency assistance grants (disaster grants).
• Providing consulting and thought leadership on resilience, disaster response needs and developing strategic plans for rural communities post disaster.
Place Making

Seeding a community vision based on deep-rooted, local approaches that embrace housing, economic development and health, while recognizing the value of arts, culture, diversity, inclusion, equity and justice.

Every community needs a vision and Rural LISC’s place making approach provides small amounts of seed funding to help forge the beginning vestiges of community aspiration. We believe every vision can and should be layered and leveraged through a variety of other creative means and Rural LISC provides the capacity and technical assistance supports to help rural communities do just that.

Rural LISC continues to provide ongoing technical assistance and capacity support to our network of +87 CBOs. As we enter 2021, Rural LISC will seek to prioritize and expand economic development and public-private partnerships so that we can more readily respond to the complex needs of rural communities.

2020 Place Making Highlights

• Provided technical assistance and financial resources to 87 community-based partners to support affordable housing, economic development, and health/wellness.

• Provided technical assistance and a recoverable grant to Greater Greenville Housing and Revitalization Association supporting affordable living spaces while providing equitable opportunities for small, minority and women-owned businesses.
• Supported Pathfinder Services in developing the Huntington Arts and Entrepreneurial Center, which includes studio and gallery space for practicing artists and a commercial kitchen.

• Invested more than $500,000 in Healthy Housing funds to 32 community-based organization partners to support the development and preservation of affordable housing in rural America.

• Invested more than $700,000 in Capacity Building grants to 29 partners to support affordable housing, workforce development, economic development, broadband, disaster planning and place making efforts.

**Place Making Program Priorities:**

• Fundraise for and deploy small community planning grants for strategic visioning purposes (economic, arts/culture focus)

• Customize technical assistance to partners and key stakeholders

• Advocate for additional capacity support investment and assist in the expansion of affordable housing and development projects

• Provide technical assistance and grants to non-profits addressing rural health and substance-abuse prevention/treatment options

• Address Diversity, Equity, Inclusion and Justice (DEIJ) themes in various outreach and planning efforts - ensure DEIJ initiatives are embedded in capacity development work.
Rural LISC Federal Policy

Rural communities contain almost 20 percent of the country’s population and face ongoing challenges associated with job loss, limited access to financial services, substandard housing stock, and a lack of infrastructure investment, including investments needed to expand rural access to broadband. These factors hinder the growth of rural places and contribute to population loss, higher poverty rates, and basic capacity needs. Because of this, Rural LISC remains committed to supporting rural America’s people and communities that includes a strong alignment with federal policies and programs as highlighted in the above noted 5 pillars. To that end, in 2020, OneLISC released a comprehensive set of federal policy priorities for Rural America that Rural LISC will promote with key stakeholder groups, including members of Congress and the Administration in 2021 and beyond.

For full Federal policy review, please see [Our Policy Lens on Rural America](#).
Harkening in a New Year

Rural LISC had an unprecedented fundraising year, investing more than $38.8MM in rural communities for small business and non-profit programmatic support. Additionally, Rural LISC took the opportunity to better operationalize work efforts into five key pillars of opportunity for Rural investment. This new organizational approach more strategically positions Rural LISC for doubling down on its commitments to Rural America as envisioned by both the Rural Promise and Project 10X. As 2021 begins, Rural LISC will continue to focus on expanding its programs and partnership base to include more economic development partnerships across under-served geographies and demographic groups. Rural LISC will also continue to advocate and outreach to address key federal policy priorities as identified in the Rural Federal Policy Lens developed by the national policy team. Finally, Rural LISC will continue to focus on maximizing investment opportunities within the five pillars, including (but not limited to): expanding and strengthening FOCs and workforce development initiatives; integrating digital equity and broadband connectivity opportunities into ongoing work; investing in housing and various community development projects; and growing capacity and technical assistance for partner organizations – a mainstay of our work and mission in helping to strengthen investment in rural America.
Thank you to our 2020 Funders, Supporters and Rural LISC Champions:

And thank you to our Rural Advisory Committee (RAC) and individual investors and champions!